

Proposal Summary

2025 9% LIHTC AHFA Proposal Application

Affordable Housing Funding Application (AHFA)

Project Name: Southern Heights Preservation

Basic Project Information

Project Name:	Southern Heights Preservation
OHFA Project Number:	TBD
LIHTC Type:	9%
Project Address:	1655 E. 30th St. A
Project City or Township:	Lorain
Project County:	Lorain
Construction Type:	Rehabilitation
Age Restriction:	General Occupancy
Funding Pool:	Preserved Affordability
Lead Developer:	CHN Housing Partners
Total Number of Units:	63
Total Number of Buildings:	18

Existing Photograph



OHFA Resource Request Requiring Board Approval

	Amount	Approval Date
HDAP: HOME	\$1,000,000	
Housing Development Loan:	\$1,750,000	

Project Narrative

Southern Heights Preservation is an existing 63-unit multifamily residential community located in the City of Lorain. Southern Heights Preservation consists of 18 residential buildings, each comprised of two to four units and between two and four bedrooms. The project was first built in 1970 and received a 9% tax credit award in 2000. The proposed development will renovate existing units with updated kitchens, improved accessibility, updated central air, new roofing, and site improvements. Twenty-six (26) units will be for 50% AMI and the remaining thirty-seven (37) for 60% AMI. The property manager's office is on-site.

Set Asides Sought

Set Aside Type	Sought?
Community Housing Development Organization:	Yes
Community Impact Strategic Initiative:	Ineligible Pool
Appalachian County:	Ineligible Pool
Transformative Economic Development:	Ineligible Pool
Refugee Resettlement Agency Partnership:	Ineligible Pool
USDA Rural Development Subsidy Preservation:	No
Balance of State or Small Continuum of Care:	Ineligible Pool

Competitive Scoring: Preserved Affordability Pool

Competitive Criterion	Maximum Score	Developer Self-Score
Discount to Market Rent	5	2
Rehabilitation Hard Costs per Unit	10	10
Building Amenities	6	6
Annual LIHTC Request per LIHTC Unit	16	16
Total	37	34

Development and Operations Team

Lead Developer	CHN Housing Partners
Co-Developer #1	N/A
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	Enterprise Housing Credit Investments, LLC
OLIHTC Syndicator/Investor	N/A
GP/MM #1 Parent Entity	CHN Housing Partners
GP/MM #2 Parent Entity	N/A
GP/MM #3 Parent Entity	N/A
General Contractor	CHN Housing Partners
Architect of Record	Hiti, DiFrancesco and Siebold, Inc.
Property Management Firm	New Sunrise Properties, Inc.

Site Information

Site Size (Acres)	4.55
Scattered Sites?	No
Total Number of Buildings	18
Total Number of Elevator-Serviced Buildings	0
Total Parking Spaces	108
Parking Ratio (Parking Spaces per Unit)	1.7
Urban Suburban Rural (USR) Geography	Central City
Located in a Participating Jurisdiction (PJ)?	Yes
Located in a Qualified Census Tract (QCT)?	Yes
Located in a Difficult Development Area (DDA)?	No
Census Tract Opportunity Index	Low
Census Tract Change Index	Slight Decline

Nearby Amenities

Amenity Type	Name of Amenity	Linear Distance from Proposed Project (miles)
Grocery Store	N/A	
Medical Clinic	N/A	
Childcare Facility	N/A	
Senior Center	N/A	
Pharmacy	N/A	
Public Library	N/A	
Public Park	N/A	
Public School	N/A	
Public Recreation Center	N/A	

Building Square Footage Breakdown

	Size (SF)	Pct of Total
Commercial and Fee-Driven Space		
Unrestricted/Market-Rate Unit Area		
LIHTC Unit Area	63,335	97%
Manager's Unit Area	1,049	2%
Common Area		
Support and Program Space	1,177	2%
Tenant Storage Space		
Major Vertical Penetrations (Elevator/Stairs, Etc.)		
Structured Parking/Garage		
Basement		
Total Square Footage of all Buildings	65,561	100%

Units by LIHTC Income Restrictions

LIHTC Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI		
40% AMI		
50% AMI	26	41%
60% AMI	37	59%
70% AMI		
80% AMI		
Unrestricted		
Manager's		
Total Units	63	100%

Consolidated Annual Operating Budget

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income	\$626,774	\$9,949
Potential Gross Commercial Income	\$0	\$0
Potential Gross Service Income	\$0	\$0
Vacancy Allowance (Blended) 7%	(\$43,874)	(\$696)
Effective Gross Income (EGI)	\$582,900	\$9,252
(Administrative Expenses)	(\$86,682)	(\$1,376)
(Property Management Fee)	(\$43,772)	(\$695)
(Owner-Paid Utility Expenses)	(\$125,549)	(\$1,993)
(Maintenance Expenses)	(\$136,504)	(\$2,167)
(Net Real Estate Taxes)	(\$36,315)	(\$576)
(Property and Liability Insurance)	(\$22,550)	(\$358)
(Other Insurance and Tax Expenses)	\$0	\$0
(Ongoing Reserve Contributions)	(\$26,775)	(\$425)
Operating Subsidy	\$0	\$0
(Total Operating Expenses)	(\$478,147)	(\$7,590)
Net Operating Income (EGI - Operating Expenses)	\$104,753	\$1,663

LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis	\$1,250,000	\$12,181,912	
- Reductions in Eligible Basis	\$0	\$0	
= Net Eligible Basis	\$1,250,000	\$12,181,912	
Codified Basis Boost (DDA/QCT)		\$15,836,486	
Agency Discretionary Basis Boost		\$15,836,486	
Adjusted Eligible Basis	\$1,250,000	\$15,836,486	
X Applicable Fraction	100%	100%	
Qualified Basis	\$1,250,000	\$15,836,486	
70% Present Value Rate	4%	9%	
Annual LIHTC Generated	\$50,000	\$1,425,284	
Total 10-Year LIHTC Generated	\$14,752,837		
Total 10-Year LIHTC Requested	\$14,250,000		
LIHTC Equity Generated	\$12,169,115		
Equity Price	\$0.8541		

Units by Bedroom Type and Rental Subsidy

Bedroom Type	Number of Units	Percent of Total Units	Units with Rental Subsidy	Percent of Total Units Subsidized
Studio				
1-BR				
2-BR	24	38%	0	0%
3-BR	25	40%	0	0%
4-BR	14	22%	0	0%
5-BR				
Total Units	63	100%	0	0%

Development Budget, Eligible Basis, and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$1,500,000	\$23,810	\$1,250,000
Predevelopment	\$621,500	\$9,865	\$621,500
Site Development	\$550,000	\$8,730	\$550,000
Hard Construction	\$7,845,787	\$124,536	\$7,845,787
Financing	\$801,125	\$12,716	\$791,125
Professional Fees	\$228,500	\$3,627	\$2,373,500
Developer Fee	\$2,200,000	\$34,921	\$0
OHFA and Other Fees	\$244,700	\$3,884	\$0
Capitalized Reserves	\$239,074	\$3,795	\$0
Total Development Costs (TDC)	\$14,230,686	\$225,884	\$13,431,912
LIHTC Eligible Basis as a Percent of Total Development Costs			94%

Cost Containment Standards	Project	Maximum	Variance
TDC per Unit	\$225,884	\$277,573	-19%
TDC per Gross Square Foot	\$217	\$348	-38%

Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$104,753	\$104,753
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$87,294	\$104,753
Interest Rate	0.00%	0.00%
Amortization Period (Years)	0	0
Loan Term (Years)	0	0
Maximum Perm Loan Amount	\$0	\$0
Actual Perm Loan Amount	\$0	
Amount Variance	\$0	
Percent Variance	0.0%	

	Year 1	Year 15
Debt Service Coverage Ratio	N/A	N/A
OHFA Minimum DSCR	1.20	1.00

Construction Sources of Funds

Source Name	Amount	Percent of Total
Federal LIHTC Equity	\$3,718,878	26%
Construction Loan	\$9,125,000	64%
Post-Construction Costs	\$386,708	3%
HDAP: HOME	\$1,000,000	7%
GP Equity	\$100	0%
Total Construction Sources	\$14,230,686	100%

Permanent Sources of Funds

Source Name	Total	Percent of Total
Federal LIHTC Equity	\$12,169,115	86%
Deferred Developer Fee	\$1,061,471	7%
HDAP: HOME	\$1,000,000	7%
GP Equity	\$100	0%
Total Permanent Sources	\$14,230,686	100%